

Survey of Debtors

The California Department of Corporations is conducting a survey of debtors who use the services of consumer credit counseling organizations. The Department must make recommendations to the California Legislature regarding the establishment of fees for debt management and debt settlement plans. (Debt management plans are plans where debtors' funds are distributed to creditors monthly, whereas debt settlement plans involve negotiating and settling all of a debtor's debts in a lump-sum payment.)

Please complete this survey and return it by **January 31, 2003** to the following:

Department of Corporations, State of California
Attn: Kathy Womack, Associate Program Analyst
Office of Law and Legislation
1515 K Street, Suite 200
Sacramento, CA 95814

1. Your Information

Name _____ Address _____
Phone _____ E-mail _____

2. What services are you receiving from a consumer credit counseling organization?

- ☐ I am enrolled in a **Debt Management Plan**
☐ My debts are being settled through a lump-sum **Debt Settlement Plan**
☐ I am receiving or have received **Education or Counseling** related to debt management or settlement
☐ Other (describe) _____

3. What amount(s) have you paid for the services you are receiving? (check all that apply)

- ☐ An enrollment fee of \$ _____ ☐ A monthly fee of \$ _____
☐ A counseling fee of \$ _____ ☐ A voluntary contribution of \$ _____
☐ Other (please describe) _____

4. California limits the fee that may be charged monthly for the service of paying a debtor's bills to \$20. This cap has not increased in 20 years. What is a reasonable fee limit, and why? _____

5. California limits the fee that may be charged for a debt settlement plan to 15% of the amount of the debt forgiven. Is this limit reasonable?

☐ Yes ☐ No ☐ Too Low ☐ Too High I Recommend _____

6. California limits the amount that may be charged for education or counseling in connection with debt management or debt settlement services to a one-time sum of \$50. Is this amount reasonable?

☐ Yes ☐ No ☐ Too Low ☐ Too High I Recommend _____

7. Do you believe that caps on fees are necessary or beneficial? Why or why not? _____

8. What is your unsecured debt (i.e., excluding home and car loans)? \$ _____

Thank you for your participation in this survey. If you have questions regarding this survey, please contact the Office of Law and Legislation at (916) 322-3553.